Request for City Council Committee Action from the Department of Transportation & Public Works

Date: May 13, 2014

To: Honorable Kevin Reich, Chair Transportation and Public Works Committee

Subject: **Increase contract with Municipal Builders, Inc. for Ammonia Building on Fridley campus**

Recommendation:

Authorize execution of amendment to contract C-36028 with Municipal Builders, Inc. increasing the contract by $400,000.00 for Change Order #1 for a total contract price of $ 5,067,103.00, and extend the completion date to December 31, 2014. No additional appropriation is needed because the amount is within the project budget (07400-9010950-Project CWTR231403).

Previous Directives:

- August 31, 2012 City Council accepted the low bid (OP 7635) of Municipal Builders, Inc. for an estimated expenditure of $4,667,103.00 for construction of the Ammonia System Replacement for Fridley Filtration Plant.

Department Information

Prepared by: Dale Folen, Senior Professional Engineer, Ext. 4908

Approved by:_____
Steve Kotke, Director & City Engineer, Public Works

Presenters in Committee: Dale Folen, Senior Professional Engineer, Ext. 4908

Reviews

- Permanent Review Committee (PRC): Approval ___ Date _____
- Civil Rights Approval Approval ___ Date _____
- Policy Review Group (PRG): Approval ___ Date _____

Financial Impact No financial impact; the request is within the project budget.

Community Impact

- Neighborhood Notification - N/A
- City Goals - The city's infrastructure is managed and improved for current and future needs
- Comprehensive Plan - N/A
- Zoning Code - N/A
- Other

Supporting Information

The Fridley Ammonia Building is part of the water treatment system that helps transform water from the Mississippi River into drinking water. Ammonia is part of the disinfection system. When combined with chlorine, it helps protect the water from potentially harmful microorganisms.

The project was implemented to increase the safety and security of the system by replacing two old Ammonia tanks, one outdoors and one inside the existing filter plant. The new building fully encloses the ammonia tanks and dosing systems in a dedicated building. The building includes systems to monitor and neutralize potential ammonia leakage. The structure also includes several features to avoid risks associated with the potentially explosive properties of Ammonia if a leak occurred.

Change Order #1 includes 47 specific items of changes or project clarifications. The following list summarizes the largest of the changes:

- Buried piping and structure changes, due to incomplete record drawings from work done several decades ago
- Technology updates for the Ammonia tank storage and feed (dosing) systems
- Paving changes to allow the project to better interface with surrounding campus roads
- Improved water sampling and automatic water quality analysis systems
- Improved safety and alarm systems identified as appropriate during the construction phase
- Clarifications from design documents to improve operational flexibility
- Various modifications to coordinate with actual equipment dimensions
- Reduced cost for reduced landscaping features

The total cost of Change Order #1 is $400,000.00, which amounts to about 8.5 percent of the original bid price. This is within the budgeted contingency funds for the construction. Project engineering consultants have reviewed the detailed costs for each change and have recommended acceptance.

The plant is almost complete and the equipment is entering the start-up and operation. Exterior site work should be finished in the summer. The contract should be extended to December 31, 2014 to allow for completion of punch list items, record drawings and final invoicing.

CC: Pamela Fernandez, Assistant Director, Purchasing
David Schlueter, Buyer, Purchasing